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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/521,685	03/09/2000	David P. Maher	112770	1985

7590

08/27/2003

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EXAMINER

HAYES, JOHN W

ART UNIT

PAPER NUMBER

3621

DATE MAILED: 08/27/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application N .

09/521,685

Applicant(s)

MAHER, DAVID P.

Examiner

John W Hayes

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 09 March 2000.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 32-60 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 32-60 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 09 March 2000 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.
- 14) ☒ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☒ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s) 3.
- 4) ☐ Interview Summary (PTO-413) Paper No(s) _____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____.

DETAILED ACTION

Priority

1. An application in which the benefits of an earlier application are desired must contain a specific reference to the prior application(s) in the first sentence of the specification of in an application data sheet (37 CFR 1.78(a)(2) and (a)(5)). The specific reference to any prior nonprovisional application must include the relationship (i.e., continuation, divisional, or continuation-in-part) between the applications except when the reference is to a prior application of a CPA assigned the same application number.

Claim Rejections - 35 USC § 101

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claim 32 is rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Claim 32 is directed to a process that does nothing more than manipulate an abstract idea. For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts.

In the present case, claim 32 only recites an abstract idea. The recited steps of merely receiving certificates and sending certificates to a billing system for payment does not apply, involve, use, or advance the technological arts since all of the recited steps can be performed in the mind of the user or

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by use of a pencil and paper. These steps only constitute an idea of how to receive and send certificates, and, therefore, are deemed to provide no practical application in the technological arts.

Claim Rejections - 35 USC § 102

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

5. Claims 32 and 38 are rejected under 35 U.S.C. 102(e) as being anticipated by Reed et al, U.S. Patent No. 5,862,325.

As per **Claims 32 and 38**, Reed et al disclose a method of performing an electronic transaction comprising:

- receiving a short term certificate from a user (Col. 121, lines 27-35);
- sending the short term certificate and an electronic record of the transaction to a billing system for payment from a guarantor of the short-term certificate (Col. 121 line 45-Col. 122 line 21).

Claim Rejections - 35 USC § 103

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

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7. Claims 33-34, 37, 39-40 and 43 are rejected under 35 U.S.C. 103(a) as being unpatentable over Reed et al, U.S. Patent No. 5,862,325 in view of Asay et al, U.S. Patent no. 5,903,882.

As per **Claims 33 and 39**, Reed et al fail to explicitly disclose sending the short term certificate and the electronic record only after querying a short term database and after receiving a response to the query validating the short term certificate. Asay et al disclose a reliance server system for electronic transactions wherein a relying party (merchant) submits certificates to a reliance server seeking assurances that the subscriber as well as their certificate is valid and further teach a certificate validity database for each certificate including the validity status of the certificates (Col. 14, lines 43-54). It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the method of Reed et al and query the status of the user's certificate before sending the request for payment to ensure that the certificate has not be revoked, expired or suspended as suggested by Asay et al. Asay et al provides motivation by indicating that this would obviate the need to examine the actual certificate.

As per **Claims 34 and 40**, Reed et al fail to explicitly disclose wherein the short term certificate contains information specifying a threshold amount and the query is submitted only if the transaction exceeds the threshold amount. Asay et al disclose wherein the certificate contains a "reliance limit" which is the maximum amount that is reasonable for a transaction without any further transaction (Col. 11, lines 43-56). It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the method of Reed et al and adopt the teachings of Asay et al such that the certificate would not need to be validated in the case where the transaction amount does not exceed the "reliance limit" as suggested by Asay et al in order to automatically allow certain certificates if the transaction amount is a small amount.

As per **Claims 37 and 43**, Reed et al fail to disclose wherein the short term certificate contains information specifying a maximum value for payment from the guarantor. Asay et al disclose wherein the certificate contains information specifying a maximum value for payment from the guarantor (Col. 11, lines

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10-15 and 43-56; Col. 19, lines 13-16; Col. 20 line 63-Col. 21 line 2). It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the method of Reed et al and include a maximum value for payment in the certificate so that the merchant has assurances that the customer is able to pay for the transaction up to a certain amount.

8. Claims 44, 47, 49 and 54 are rejected under 35 U.S.C. 103(a) as being unpatentable over Asay et al, U.S. Patent No. 5,903,882.

As per Claims 44 and 54, Asay et al disclose a method performed by a guarantor of payment for purchases comprising:

- receiving from a user a long-term certificate that contains at least information that verifies the identity of the user (Col. 10, lines 37-44; Col. 11, lines 15-20);
- responsive to receipt of the long term certificate, and upon authenticating the user, determining a maximum amount and a period of time for which the guarantor is willing to guarantee payment for purchases by the user (Col. 18, lines 15-20; Col. 19, lines 15-46; Col. 20, lines 1-10; Col. 32, lines 13-16; Col. 32, lines 45-50; Col. 33, lines 55-60);
- sending a short term certificate guaranteeing payment up to said maximum amount for a purchase by the user from a supplier-in a transaction carried out over a network, the short term certificate including an expiration date corresponding to the period of time (Col. 19, lines 15-46; Col. 20 line 63-Col. 21 line 2; Col. 32, lines 45-50; Col. 33, lines 55-60);
- whereby the user is enabled to enter into a transaction using the short term certificate as a form of payment that will be accepted by the supplier (Col. 16, lines 20-36; Col. 19, lines 15-24; Col. 37, lines 60-65; Col. 46, lines 57-64).

Asay et al, however, fail to explicitly disclose that the short term certificate is sent to a user, but rather disclose that the short term certificate is sent directly to the merchant or relying party. However, examiner submits that it would have been obvious to one of ordinary skill in the art at the time of

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applicant's invention to, alternatively send this certificate to the user first or even send a copy to the user in addition to sending the certificate to the merchant so that the user is aware of the outcome.

As per **Claim 47**, Asay et al further disclose wherein the short term certificate further includes an assertion of at least one entitlement of the user in addition to the ability to use the short term certificate to pay for purchases (Figure 11; Col. 18 line 60-Col. 19 line 17).

As per **Claim 49**, Asay et al further disclose wherein the short term certificate further includes an indication that the user is entitled to use a form of payment other than money such as a letter of credit (Col. 19, lines 1-17).

9. Claims 45-46, 55-57 and 60 are rejected under 35 U.S.C. 103(a) as being unpatentable over Asay et al, U.S. Patent No. 5,903,882 in view of Reed et al, U.S. Patent No. 5,862,325.

As per **Claims 45-46 and 55-56**, Asay et al fail to explicitly disclose billing the user for the purchase through a regular billing channel between the guarantor and the user. Reed et al discloses that billing may occur through normal channels such as the consumer's bank or credit clearinghouse, a credit card processor, a cyberscash server and so on (Col. 122, lines 13-21). It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the method of Asay et al and include provisions for actually charging the user for the purchase transaction through conventional billing channels as taught by Reed et al in order to pay for the items actually purchased.

As per **Claims 57 and 60**, Asay et al disclose a method performed by a supplier of goods or services comprising:

- receiving short-term certificate that contains a maximum amount and a period of time for which the guarantor is willing to guarantee payment for purchases by the customer (Col. 18,

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lines 15-20; Col. 19, lines 15-46; Col. 20, lines 1-10; Col. 32, lines 13-16; Col. 32, lines 45-50; Col. 33, lines 55-60);

- consummating a purchase transaction with the customer over a network including acceptance of the short term certificate as payment for the purchase (Col. 16, lines 20-36; Col. 19, lines 15-24; Col. 37, lines 60-65; Col. 46, lines 57-64);

Asay et al, however, fail to explicitly disclose sending the certificate and an electronic record of the transaction to a billing system for payment from the guarantor and receiving the payment. Reed et al disclose sending the short term certificate and an electronic record of the transaction to a billing system for payment from a guarantor of the short-term certificate (Col. 121 line 45-Col. 122 line 21). It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the method of Asay et al and adopt the teachings of Reed et al and incorporate the steps of sending the certificate and an electronic record to a billing system in order to actually carry out the payment steps so that the supplier can receive funds for the goods sold.

10. Claims 35-36, 41-42, 48, 50-53 and 58-59 are rejected under 35 U.S.C. 103(a) as being unpatentable over Reed et al, U.S. Patent No. 5,862,325 in view of Golden et al, U.S. Patent No. 5,761,648.

As per **Claims 35-36, 41-42, 48, 50-53 and 58-59**, Reed et al fail to explicitly disclose wherein the short term certificate contains information specifying consumer points, consumer marketing offers or purchase discounts. Golden et al disclose an interactive marketing network and process using electronic certificates and teach issuing electronic certificates to users that can be used for various purposes and include specifying coupons, discounted prices on a product or service, proof of a gift or award such as loyalty points, proof of payment or any other type of certificate or voucher (abstract, Col. 8, lines 10-18). It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the method of Reed et al and allow for the specification of certain points, marketing offers or discounts as taught by Golden et al. Golden et al provides motivation for providing these discounts in a certificate by

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indicating that this provides added efficiencies to companies merchandising products and services online (Col. 1, lines 10-63).

Double Patenting

11. The nonstatutory double patenting rejection is based on a judicially created doctrine grounded in public policy (a policy reflected in the statute) so as to prevent the unjustified or improper timewise extension of the "right to exclude" granted by a patent and to prevent possible harassment by multiple assignees. See *In re Goodman*, 11 F.3d 1046, 29 USPQ2d 2010 (Fed. Cir. 1993); *In re Longi*, 759 F.2d 887, 225 USPQ 645 (Fed. Cir. 1985); *In re Van Ornum*, 686 F.2d 937, 214 USPQ 761 (CCPA 1982); *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970); and, *In re Thorington*, 418 F.2d 528, 163 USPQ 644 (CCPA 1969).

A timely filed terminal disclaimer in compliance with 37 CFR 1.321(c) may be used to overcome an actual or provisional rejection based on a nonstatutory double patenting ground provided the conflicting application or patent is shown to be commonly owned with this application. See 37 CFR 1.130(b).

Effective January 1, 1994, a registered attorney or agent of record may sign a terminal disclaimer. A terminal disclaimer signed by the assignee must fully comply with 37 CFR 3.73(b).

12. Claims 44-56 are rejected under the judicially created doctrine of obviousness-type double patenting as being unpatentable over claims 1, 5, 12 and 13 of U.S. Patent No. 6,125,349 in view of Asay et al, U.S. Patent No. 5,903,882 and Golden et al, U.S. Patent No 5,761,648.

As per Claims 44-56, claims 1, 5, 12 and 13 of '349 recite:

- receiving from a user a long-term certificate and authenticating a user associated with the long-term certificate;
- sending the user a short term certificate containing an authorization to perform commerce over a network
- including information in the short term certificate such as marketing offers
- billing the user through regular billing channels such as telephone bills

Claims 1, 5, 12 and 13 of '349 differ since they fail to recite determining a maximum amount and a period of time for which a guarantor is willing to guarantee payment for purchases by the user, sending the short term certificate to a supplier whereby the user is enabled to enter into a transaction using the short-term certificate as a form of payment and wherein the short term certificate further includes an

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assertion of at least one entitlement in addition to the ability to use the short term certificate to pay for purchases. Asay et al disclose these features as discussed above with reference to the rejection of claim 44 and 47. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the claims of '349 and include the steps of determining a maximum amount and a period of time for which a guarantor is willing to guarantee payment for purchases by the user, sending the short term certificate to a supplier whereby the user is enabled to enter into a transaction using the short-term certificate as a form of payment and wherein the short term certificate further includes an assertion of at least one entitlement in addition to the ability to use the short term certificate to pay for purchases as taught by Asay et al so that the merchant has assurances that the customer is able to pay for the goods and services purchased.

Claims 1, 5, 12 and 13 of '349 further differ since they fail to recite wherein the short term certificate contains information specifying consumer points, consumer marketing offers or purchase discounts. Golden et al disclose an interactive marketing network and process using electronic certificates and teach issuing electronic certificates to users that can be used for various purposes and include specifying coupons, discounted prices on a product or service, proof of a gift or award such as loyalty points, proof of payment or any other type of certificate or voucher (abstract, Col. 8, lines 10-18). It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the claims of '349 and specify in the short term certificate certain points, marketing offers or discounts as taught by Golden et al. Golden et al provides motivation for providing these discounts in a certificate by indicating that this provides added efficiencies to companies merchandising products and services online (Col. 1, lines 10-63).

Conclusion

13. **Examiner's Note:** Examiner has cited particular columns and line numbers in the references as applied to the claims below for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in

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preparing the responses, to fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

14. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

- Sudia discloses a method for securely using digital signatures in a commercial cryptographic system and further teach a user long term basic certificate as well as a short term authorization certificate that specifies transaction amount limitations and time limits.
- Fox et al [US 2002/0069174] disclose a system for electronic commerce transactions and further teach sending a customer certificate to a bank for payment
- Walker et al disclose a method for executing cryptographically enabled letters of credit

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15. Any inquiry concerning this communication or earlier communications from the examiner should be directed to John Hayes whose telephone number is (703)306-5447. The examiner can normally be reached Monday through Friday from 5:30 to 3:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jim Trammell, can be reached on (703) 305-9768.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

Any response to this action should be mailed to:

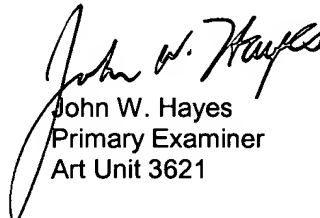
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or faxed to:

(703)305-7687 [Official communications; including
After Final communications labeled
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(703) 746-5531 [Informal/Draft communications, labeled
"PROPOSED" or "DRAFT"]

Hand delivered responses should be brought to Crystal Park 5, 2451 Crystal Drive, Arlington,
VA, 7th floor receptionist.


John W. Hayes
Primary Examiner
Art Unit 3621

August 13, 2003